GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3890
ANSWERED ON:17.08.2001
SICK SUGAR MILLS
RATNA SINGH

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the number of sugar mills in each State/Union Territory;

(b) the number of sick mills and the number of mills functioning out of them at present in each State/Union Territory; and

(c) the steps taken by the Government to revitalise the sick sugar mills?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a): A statement showing the State/Union Territory-wise number of installed sugar mills is at Annexure.

(b) The sick sugar mills belonging to Private and Public sector are covered under the Sick Industrial Companies (Special Provision) Act, 1985 (SICA). According to BIFR, 44 sick sugacompanies in Public and Private sectors have been registered with them as on 31.03.2001.Out of 44 sugar companies 3 companies were registered twice and 1 company registered thrice at different point of time. In view of that only 39 sugar companies consisting of 70 sugar mills are registered with BIFR. Out of 70 sugar mills, 42 mills operated during the sugar season 2000-2001, State/Union Territory-wise details are as follows:-

	No. of Sick Mills	No. of Sick Mills Operated During 2000-2001 Season (Oct.-Sep.)
Andhra Pradesh	3	2
Bihar	4	1
Karnataka	5	3
Madhya Pradesh	3	2
Mahrashtra	3	3
Punjab	1	1
Tamil Nadu	5	5
Uttar Pradesh	42	24
West Bengal	1	1
Kerala	1	-
Orissa	1	-
Rajasthan	1	-
Total	70	42

The cooperative sugar mills (CSMS) are not covered under SICA. They fall under the Cooperative Societies Acts of the respective States. As per information provided by the National Bank for Agriculture and Rural Development (NABARD), 95 cooperative sugar mills were having negative net worth as on 31.03.2000. Out of 95 sugar mills, 92 sugar mills operated during the sugar season 2000-2001, State/Union territory-wise details are as follows:-

	No. of CSMS with Negative Net Worth	No. of CSMS with Negative Net Worth Operated During 2000-2001 Season (Oct.-Sep.)
Andhra Pradesh	1	1
Karnataka	10	10
Mahrashtra	30	28

Punjab	10	10
Tamil Nadu	12	12
Uttar Pradesh	19	19
Gujarat	6	5
Haryana	6	6
Uttranchal	1	1
Total	95	92

(c): Government has taken the following steps to revive sick sugar mills/improve the viability of the sugar industry in the country :-

i) The levy obligation of sugar mills has been reduced to 15 % with effect from 1.2.2001;

ii) Duty on imported sugar has been raised to 60% with effect from 9.2.2000 to restrict the flow of imported sugar;

iii) The imported sugar has been brought under the release mechanism;

iv) Levy @ 15% on the stocks of imported sugar held by the importers has been imposed with effect from 17.2.2000;

v) Monthly releases of free-sale sugar are being made judiciously to ensure fair realization to sugar industry ;

vi) Advanced releases of free-sale sugar are being given to needy sugar mills to enable them to clear cane price due of the farmers.

vii) Ceiling on quantity of exports has been removed.

viii) A committee has been constituted by the Government under the Chairmanship of Secretary (F & PD) to examine the casesof sick cooperative sugar mills to recommend revival packages of potentially viable units.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF UNSTARRED QUESTION NO. 3890 DUE FOR ANSWER ON 17-8-2001 IN THE LOK SABHA.

STATEMENT SHOWING THE STATE/UNION TERRITORY-WISE NUMBER OF INSTALLED SUGAR MILLS.

POSITION AS ON 30.06.2001

S.No.	State	Number of installed sugar mills
1.	Punjab	22
2.	Haryana	13
3.	Rajasthan	3
4.	Uttar Pradesh+	129
5.	Madhya Pradesh	11
6.	Gujarat	22
7	Maharashtra	143
8.	Bihar	28
9.	Assam	3
10.	Orissa	8
11.	West Bengal	2
12.	Nagaland	1
13.	Andhra Pradesh	41
14.	Karnataka	38
15.	Tamilnadu	37
16.	Pondicherry	2
17.	Kerala	2

18. Goa 1

Total 506

+ Including Uttaranchal.